

*FEE - TWO YEARS: \$200.00
 *FEE - ONE YEAR: \$100.00
 PENALTY PER MO: \$ 10.00
 MAX. PENALTY: \$100.00
 *(See fee sheet)



___ INDIVIDUAL
 ___ CORPORATION
 ___ PARTNERSHIP
 ___ LLC
 ___ LLP

NOTICE OF RENEWAL

ADDRESS CHANGE

*Yes ___
 No ___

TENNESSEE DEPARTMENT OF COMMERCE & INSURANCE
 DIVISION OF REGULATORY BOARDS
BOARD FOR LICENSING CONTRACTORS
 500 JAMES ROBERTSON PARKWAY, SUITE 110
 NASHVILLE, TN 37243-1150
 (615) 741-8307 or 1-800-544-7693
 FAX: (615) 532-2868 / www.state.tn.us/commerce

LICENSE ID#000 _____ TELEPHONE# _____ FAX# _____

LICENSE NAME: _____

ADDRESS: _____

E-MAIL: _____

EXPIRATION DATE: _____ MONETARY LIMIT:\$ _____

*(Complete above portions to correct address or if label not provided)

AFFIX LABEL

DO NOT WRITE IN THIS SECTION / FOR OFFICE USE ONLY

CK LIST ___QA ___CNT ___FEE ___PENALTIES ___ - _____
 ___FS ___PFS ___GA ___LOC-\$ _____

Financial check list:

License W/C = \$ _____ N/W = \$ _____

PFS W/C (50%) = \$ _____ PFS N/W (50%) = \$ _____

LOC = \$ _____ - (LOC at 50% if W/C is negative)

Total W/C = \$ _____ N/W = \$ _____

___ Approved for Issuance Date: _____ Initial: _____

___ Revision ___ Increase ___ Name Change ___ Transfer

ADDITIONAL INFORMATION: ___ R or A F/S ___ P F/S ___ Dated F/S ___ LOC - \$ _____
 ___ Name on FS ___ Notes ___ GA ___ Current FS ___ LL - \$ _____
 ___ Licensed Name on FS ___ LOC on Board Format ___ QA Needed

Other: _____
 And/Or _____

___ HOLD ___ DATE ___ INITIAL

RENEWAL INSTRUCTIONS

-COVER PAGE-

- ____ 1. If there has been a change in address or telephone number, check "YES" and write in the new information on the space provided. Feel free to include your email address and check current mode of operation, too.

-PAGE 3-

- ____ 2. Please list your current *QUALIFYING AGENT (QA)*; list the current owner/officer information. Contractors with an environmental specialty license are required to keep abreast of all applicable state and federal requirements and must notify the Board of any citations lodged against them, within 10 days. Sign, date and have notarized to affirm all information to be true.

-FINANCIAL STATEMENT-

- ____ 3. All contractors must attach a financial statement with the date and name as licensed. Assets and liabilities must be broken down as current and long term. Do NOT submit income tax statements.
- Monetary limits of ***\$1,000,000 or less***, the financial statement may be prepared by the contractor. This may be one from their computer, bank, accountant, etc. or page 7 of this renewal.
 - Monetary limits ***exceeding \$1,000,000***, a "Reviewed" or "Audited" financial statement prepared by a ***CPA or licensed PA*** on GAAP basis must be submitted. (*Note: Income tax basis and compiled are not acceptable!*) Companies owned by another entity may be required to submit the parent financial statement with the "Guaranty Agreement" on page 9.

-LINE OF CREDIT -PAGE 11-

- ____ 4. Contractors may provide a "Line of Credit" (LOC) in the Board's format, from their bank to supplement their working capital. Must be the original on the bank's letterhead, in the exact name as licensed. If your working capital is negative, only 50% value of the LOC is allowed (after deductions). See page 10 for financial information.

-GUARANTY AGREEMENT -PAGE 9-

- ____ 5. Contractors may submit their personal financial statement with the "Guaranty Agreement" to increase their net worth and working capital, at 50 % value, if needed to support their monetary limit. Parent companies must submit the guaranty to indemnify subsidiary.

-FEE-

- ____ 6. Enclose the renewal fee indicated on the enclosed fee sheet; ***\$200*** renewal fee, if the *last* number of your license is even; this will renew your license until 2006; penalties are \$10 per month/maximum \$100. Renewal fee for odd number is ***\$100*** until July, 2004; all should be renewed for two years. *Note: A license which has been expired for 12 months must reapply through the new application reinstatement process. There is not a grace period; you cannot be approved for permits until your license renewal and fees have been received.* Fees should be submitted with the remittance form provided with the pre-addressed envelope 30 days prior to expiration date. Make check payable to "***Contractor's Board***" and list license I.D. number.

STATE OF TENNESSEE/DEPARTMENT OF REVENUE

***FEE →
ONLY***

**P.O. BOX 198990
NASHVILLE, TN 37219-8990**
(Envelope should be provided!)

(If fee remittance form and envelope were not included, mail fee to James Robertson address listed below with renewal form)

-RENEWAL FORM-

- ____ 7. Copy for your records and mail completed "Notice of Renewal" form to:

***RENEWAL →
FORM*** **CONTRACTORS BOARD
500 JAMES ROBERTSON PARKWAY, SUITE 110
NASHVILLE, TN 37243-1150**
(No envelope provided)

(NOTE: Renewal cannot be processed until both fees and renewal booklet are received in the Board office)
Please allow 7-10 days for mail delivery to our office!

LICENSE ID# 000

1. Please list your current qualifying agent(s):

Qualifying Agent's Name	Title	SS#

Qualifying Agent's Name	Title	SS#
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NOTE: Should the qualifying agent leave the company, another individual must be designated within 90 days, with exam passed. Please contact the Board office for the appropriate forms. If the QA listed above is different than on file, please request a "QA Add/Change Form" and send with a copy of their score and "Power of Attorney".

2. Please list up to four of the major owner/officers on this license and their title:

1. _____ 3. _____

2. _____ 4. _____

3. Rule 0680-1.16 requires contractors with a specialty environmental classification, to keep up-to-date with applicable state and federal requirements and notify the Board of any citations.

4. Has there been a change in license operation: No Yes – The following has been changed:
 Name; Mode of Operation; Ownership; Merger; or Reorganization due to bankruptcy

5. I, _____ of _____,
(Print Name of Owner/Officer) (Licensed Name)

certify the above information and attached financial statement to be true and correct to the best of my knowledge.



(CONTRACTOR'S SIGNATURE)

(TITLE)

Subscribed before me this _____ day of _____, 20____.

(NOTARY PUBLIC)

My Commission Expires: _____
State of _____ County _____

-SEAL-

**If there have been changes in operation, please contact the Board for appropriate forms to complete. Please note, a change in ownership, merger or reorganization requires a new license application.*

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PLEASE ATTACH FINANCIAL STATEMENT

- If your monetary limit is **\$1,000,000 OR LESS**, you may prepare your own compiled financial statement; a CPA is not required. Make sure assets and liabilities are clearly explained and broken down as current and long term.
- For monetary limits **EXCEEDING \$1,000,000** (*\$1,000,001 – unlimited*), a CPA/PA must prepare a **Reviewed** or **Audited** financial statement.

To ensure your financial statement shows enough working capital and net worth, use the following formula:

FORMULA: *Current assets minus current liabilities, equals working capital.*
 Total assets minus total liabilities, equals net worth.
 Limit is based 10 times the lesser of both

EXAMPLE: For a monetary limit of \$500,000, working capital and net worth must both be at least \$50,000. If working capital amounts to \$40,000 and the net worth is \$100,000, you would not qualify for \$500,000. This would delay your renewal in getting issued and a letter would be sent with these options: (1) Accept a lower limit of \$400,000; or (2) Provide a personal or supplemental financial statement, with a “Guaranty Agreement”; or (3) Submit a “Line of Credit” (in the exact Board’s format) for \$10,000; or (4) Send in an updated financial statement with enough working capital and net worth. Supplemental statements may be used at only 50% of their value. A line of credit may be used at 100% value but supplements working capital and not net worth. If your working capital or net worth is valued as “negative”, 50% of the line of credit may be applied. If you choose to lower the license limit, a reviewed or audited financial statement prepared by a CPA/PA’s must be submitted for Board review to be increased.

CURRENT ASSETS are cash and those assets that are reasonably expected to be realized in cash or sold or consumed **within one year** or within a business’s normal operating cycle if it is longer. Generally, current assets include the following:

- Cash and cash equivalents available for current operations
- Marketable securities representing the investment of cash available for current operations, including investments in debt and equity securities classified as trading securities.
- Underbillings on work in progress
- Inventories (to include materials and/or houses built for sale). Also, developed lots for sale. Raw, undeveloped land is not a current asset.
- Retirement Plans, specifically an IRA, 401K and Profit Sharing, will be allowed at 50%
- Cash surrender value of life insurance policies
- Trade accounts receivable and notes and other receivables that are expected to be collected within one year
- Prepaid expenses such as insurance, interest, rents, taxes, etc.

The following are not current assets, however, since they generally are not expected to be converted into cash within one year:

- Cash restricted for special purposes (Restricted cash may be classified as a current asset if it is considered to offset maturing debt that has been properly classified as a current liability, however.)
- Long term investments
- Receivables not expected to be collected within one year
- Land and other natural resources
- Depreciable assets (buildings, equipment, tools, etc.)
- Prepayments or deferred charges that will not be charged to operations within one year

CURRENT LIABILITIES are obligations whose liquidation is reasonably expected to require (a) the use of current assets or (b) the creation of the other current liabilities. Generally, current liabilities include the following:

- Payables for materials and supplies
- Amounts collected before goods or services are delivered (overbillings on jobs in progress)
- Accruals for wages, salaries, commissions, rents, royalties, and taxes
- Other obligations, including portions of long-term obligations, that are expected to be liquidated within one year*

Current liabilities do not include long term notes, bonds, and obligations that will not be paid out of current assets.

Continued ➡

WORKING CAPITAL

\$ _____ Current Assets
 - (minus)
 \$ _____ Current Liabilities
 = (equals)
 \$ _____ Working Capital

NET WORTH

\$ _____ Total Assets
 - (minus)
 \$ _____ Total Liabilities
 = (equals)
 \$ _____ Net Worth

SAMPLE

(Blank format on page 7)

FINANCIAL STATEMENT – BALANCE SHEET

Jack Jones, Builder ← (Name must be as on License)

(Must include date) → January 31, 2003

ASSETS**Current Assets**

Cash on hand and in banks	\$ 10,500
Accounts Receivables	35,000
IRA Account	1,200
Less 50%	- [600]
Billings on incomplete contracts	1,500
Building Materials in Stock	15,000

TOTAL CURRENT ASSETS \$ 62,600

Notes Receivable (Not due within one (1) year)	112,000
Real Estate	750,000
Vehicles	20,000

TOTAL ASSETS \$ 944,600 ✓

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LIABILITIES & (EQUITY) NET WORTH**Current Liabilities**

Notes Payable – Current maturities	\$ 25,000
Billings in excess of costs and estimated earnings	4,100
Credit Cards	3,200

TOTAL CURRENT LIABILITIES \$ 32,300

Long Term Liabilities

Notes Payable – Less current maturities	215,000
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TOTAL LIABILITIES \$ 247,300

EQUITY (NET WORTH) 697,300

TOTAL LIABILITIES & EQUITY \$ 944,600 ✓

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*Note: The last line "Total Liabilities & Equity" should balance the same as "Total Assets" - \$944,600
 (Working capital: \$30,300; net worth: \$697,300)*

Current Assets **minus** Current Liabilities = **Working Capital**

Total Assets **minus** Total Liabilities = **Net Worth**

Based on the above sample financial balance sheet, this contractor could renew at present limit of \$300,000-

LICENSE NAME: _____

ADDRESS: _____

DATE: Financial Statement as of _____, 20____
 (Month) (Day) (Year)

Mode of Operation	
<input type="checkbox"/>	INDIVIDUAL
<input type="checkbox"/>	CORPORATION
<input type="checkbox"/>	PARTNERSHIP
<input type="checkbox"/>	LLC
<input type="checkbox"/>	LLP

CURRENT ASSETS	\$	Dollars Only	
1. Cash on Hand and in the Bank			
2. Accounts Receivable (<i>Completed Contracts- expected to be collected within one year</i>)			
3. Underbillings on Work in Progress (<i>Uncompleted Contracts</i>)			
4. Marketable (Trading) Securities, Stocks and Bonds (<i>List at Cash Value</i>)			
5. Inventories - <i>Materials or Houses Built or Developed Lots for Sale</i>			
6. Retirement Plans (IRA; 401K; Profit Sharing) <i>*(List at Cash Value)*</i>			
7. Cash Surrender Value of Life Insurance			
8. Prepaid Expenses (<i>Insurance, Taxes, Interest, Rents, Other, etc.</i>)			
9. Other:			
TOTAL CURRENT ASSETS			
NON-CURRENT ASSETS			
10. Accounts / Notes Receivable (<i>amounts not due within one (1) year</i>)			
11. Long Term Investments			
12. Land			
13. Depreciable Assets (<i>buildings, equipment, tools, furniture, fixtures, etc.</i>)			
14. Other Assets (<i>Non-Current</i>)			
TOTAL ASSETS			
CURRENT LIABILITIES & EQUITY (NET WORTH)			
15. Credit Cards (total)			
16. Accounts Payable (due within one (1) year)			
17. Overbillings on jobs in progress (<i>owed to subcontractors</i>)			
18. Equipment Encumbrances (<i>Notes</i>) (Due within 1 year)			
19. Real Estate Encumbrances (<i>Mortgages</i>) (Due within 1 year)			
20. Other:			
TOTAL CURRENT LIABILITIES			
LONG TERM LIABILITIES			
21. Accounts Payable (Amount due after 1 year)			
22. Equipment Encumbrances (<i>Notes</i>) (Amount Due after 1 year)			
23. Real Estate Encumbrances (<i>Mortgages</i>) (Amount due after 1 year)			
24. Billings in excess of costs (uncompleted contracts)			
25. Other:			
TOTAL LIABILITIES			
EQUITY (Net Worth)			
TOTAL LIABILITIES & EQUITY			

Current Assets minus Current Liabilities equal "Working Capital"; Total Assets minus Total Liabilities equals "Net Worth". This is the formula used to affirm your monetary limit (10 times the lesser of working capital or net worth).

*Retirements plans are applied at only 50% of the cash value

- This is a sample balance sheet for contractors with a monetary limit of **LESS THAN \$1,000,000** or you may attach your own financial statement in lieu of this page. **DO NOT HAVE TO USE THIS FORMAT!**
- Contractors with a monetary limit in **EXCESS OF \$1,000,000** must submit a financial statement prepared by a CPA/PA with a Reviewed or Audited opinion and cannot use this page. **CANNOT USE THIS FORMAT!**
- Financial statement submitted must be in the **NAME AS LICENSED** or the renewal will be held.

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License ID# 000_____

GUARANTY AGREEMENT

(Required with supplemental financial statements to increase working capital or net worth

or by parent companies indemnifying subsidiaries)

I/we, the undersigned person(s), natural or corporate, do hereby pledge and agree to guarantee the debts and obligations of the within named contractor for all debts and obligations arising out of the contracting activities of the Contractor as defined by TENNESSEE CODE ANNOTATED, section 62-6-101.

This **GUARANTY AGREEMENT** is being executed at the request of:

(NAME AS ON LICENSE)

the contractor to which this document is applicable for the express purpose of providing additional financial security and stability to, and for, said Contractor in order that they may obtain a license to engage in contracting in the State of Tennessee, Board for Licensing Contractors.

I/we the undersigned Guarantors, agree and contract to pay any and all debts and obligations of said Contractor as provided for above should they fail and refuse to pay and/or default on same.

I/we the undersigned Guarantors, agree to furnish and supply the Board with any and all financial reports, statements and information to which they may request in order to provide evidence of my/our financial security and stability.

I/we understand and agree that where the words "indemnities" appear in Rule #0680-1-.13 of the rules of the Board, it shall be in reference to this document, its title and wording to the contrary.

This document and the obligation undertaken shall expire and shall become null and void upon expiration of any license granted the Contractor by the Board or upon joint request, in writing, of the undersigned Guarantors and the Contractor, with the approval of the Board, provided, however, that any and all debts and obligations for, or arising out of work in process, upon the expiration, nullification and/or cancellation of this agreement, shall be covered and the Guarantor(s) herein shall remain liable for same.

* * *

*Corporate financial statements submitted to increase working capital and net worth of licensee, must complete corporate section.

** Personal financial statements submitted, the personal guarantor(s) sign and signature of all persons named on financial statement, such as SPOUSE, is required.

***CORPORATE GUARANTOR SECTION**

Name on Corporation's Financial Statement

Name: _____

Title: _____

***Signature of Corporate Official**

*As a corporate official, I am fully authorized to bind and obligate corporation to the terms and conditions of this document as stated herein.

****PERSONAL GUARANTOR SECTION**

Signature of Personal Guarantor

Signature of Personal Guarantor or Spouse

NOTARIZE

Subscribed before me this _____ day of _____, 20_____.

Notary Public Signature

(SEAL/STAMP)

My Commission Expires: _____
State of _____/County of _____

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LINE OF CREDIT

TO BE WRITTEN ON BANK LETTERHEAD
(May be used if WORKING CAPITAL does not support monetary limit requested)

DATE

TO: *CONTRACTOR LICENSEE (Individual, Corporation, Partnership or LLC)*
Address
City, State and Zip

RE: Contractor's License ID# 000_____

Dear Contractor:

You have requested of (Name of Lending Institution) to establish a line of credit which will be available to (Name as on License) for use in conducting the contracting business for which a license is being sought from the State of Tennessee Board for Licensing Contractors.

We hereby establish a line of credit for these purposes in the amount of \$(Dollar Amount), which will be maintained for a period of two years from the date of license issuance, subject to no adverse change in your financial condition.

As a condition of this arrangement, it is our understanding you will inform us and the Board for Licensing Contractors of any significant change(s) in your financial condition during the term of this commitment.

We the undersigned will endeavor to notify the Board for Licensing Contractors should we become aware of any significant change(s) in financial conditions of the above named applicant.

By _____
Name Title

SAMPLE LETTER -- FOR BANK USE ONLY

Contractor Instructions

- To increase the working capital, a contractor may take this **SAMPLE** form to their bank
- The line of credit (LOC) does not increase the net worth
- If a contractor's working capital is negative, only 50% of the LOC's value is applied
- The LOC is for the contractor's use and may be utilized at any time by the contractor
- This format's exact wording must be used in order for the Board to consider accepting
- Original LOC document must be submitted; copies are not acceptable
- Name on LOC must be in the **EXACT NAME** as on the license and financial statement

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SUPPLEMENTAL INFORMATION

You **MUST** attach your CPA's or Licensed PA's **REVIEWED OR AUDITED** financial statement if your monetary limit is **GREATER THAN \$1,000,000**. The opinion letter will need to be on the CPA or PA's letterhead, on Generally Accepted Accounting Principles (GAAP) basis, with their signature and firm's license number. Contractors with limits of **\$1,000,000 OR LESS**, may prepare their own financial statement.

FINANCIAL STATEMENT's must be submitted in the **EXACT** name as licensed.

MONETARY LIMIT is based on 10 times the LESSER of working capital or net worth. **WORKING CAPITAL** is current assets minus current liabilities; **NET WORTH** is total assets minus total liabilities. The monetary limit cannot automatically be increased; must submit revision request.

LINE OF CREDIT (see page 11) may be used to supplement working capital, only. Must be in our format, on the Bank's letterhead, exact name of the license, and the original copy. If your financial statement shows a negative working capital, only 50% of the Line of Credit's amount will be used.

GUARANTY AGREEMENT (see page 9) with a personal financial statement may be used to supplement financial statement. However, only 50% may be used. NOTE: The Guaranty must be signed by both husband and wife, and notarized. If your financial statement does not support your limit, you will be notified by mail to submit additional information or accept a lower license limit. Companies owned by another entity, the parent company must supply financial statement with Guaranty.

RETIREMENT - To retire a license; submit \$25.00, with \$200.00 renewal fee and any applicable late penalties, current license and I.D. card. Then after, retire annually for \$25.00. If the license has been expired for more than 12 months, it cannot be retired or renewed. To bring out of retirement, simply complete "Renewal" and \$200.00.

REINSTATEMENT - A license which has been expired in excess of 12 months, the contractor would need to complete the new license application; expired for more than two years, must re-take exams.

EXPIRATION DATE/FEEs - The license expiration date cannot be changed for those with a different corporate year end. Simply submit the latest financial statement, with a letter that the new statement will be mailed after corporate year end. Licensees were staggered with an odd last number to expire odd year and even last number, even year. Effective July, 2004, all renewals are scheduled for two years. Renewal fee is \$200.

MODE OF OPERATION CHANGE /TRANSFER - Contact the Board office for the appropriate forms to change mode of operation. For example, change to corporation, partnership, limited liability company, etc. NOTE: If there has been a change in ownership, merger, purchase by nonstockholders, reorganization due to bankruptcy, a license is considered *INVALID, but may operate for 90 days under the name license by notifying the Board of this change*; will need to apply for new license. If the Qualifying Agent remains, exam does not have to be retaken.

QUALIFYING AGENT is an individual, owner or full time employee or officer, with power of attorney, who tested or was designated (prior to exams in 1987) on behalf of the company. Should this person leave, the company has 90 days to designate another individual. After 90 days, the license is considered invalid until trade test is passed. It is the Board's policy that the "Business and Law" does not have to be retaken, unless there are complaints, citations, etc. against the company.

REVISIONS - To have the license monetary limit **INCREASED**, please contact the Board office for the appropriate request form. A **REVIEWED** financial statement prepared by a **CPA/PA** is required for limits of \$1,000,000 or less; an **AUDIT** is required for increasing the limit exceeding \$1,000,000. *Note: It is best to send an increase under separate cover from the renewal form, as they are reviewed by two separate sections! Also, should you request a revision at renewal time, it may be processed first, therefore, the license would be issued with the same expiration date-*

PLEASE ALLOW SIX WEEKS FOR YOUR LICENSE TO BE ISSUED

General Information

Most Common Problems which delay Renewals

- Renewal fee and renewal form, both mailed to the Department of Revenue in the envelope provided (renewal form must be sent to the Board office and not to Revenue's P.O. Box).
- License mailing address inaccurate; licenses are not forwarded to new address by the post office.
- Name on financial statement is in another name than as licensed. If a contractor changes their operating name, they must complete a name change application (no charge for this service).
- Date is not on financial statement or not current.
- Page three (3), "Contractor's Affidavit" incomplete, not signed, notarized or Qualifying Agent listed is someone other than the person we have as testing in our records.
- Mode of operation is listed different than on our records. If a contractor has changed their mode from an "Individual" to a "Corporation", etc., they must apply for a transfer by submitting a "Transfer/Change of Mode of Operation" application with \$100.00 fee.
- Renewal submitted with a "Revision" request (name change, mode transfer, classification added, monetary limit increase). The renewal can easily get overlooked if submitted with any other application. Any requests should be sent separately.
- Open complaints on file may delay a renewal, as the Board reviews these for final approval at their regular scheduled meetings. The contractor is not prohibited from contracting, unless they have been ordered by the Board.

LICENSE ISSUED

License

A contractor's license will be mailed to you with a license I.D. card which states the name of the contractor, license classification, monetary limit and expiration date, and the license I.D. number. The license I.D. number is NOT one of the two numbers listed on the top right upper corner of the license certificate; these are called audit numbers for printing. Please check your card for accuracy!

License Name

You must contract, apply for permits and conduct business in the name appearing on your license. Licenses are not transferable. Contracting in a name other than as licensed is considered unlicensed activity. Should you receive a pre-printed bid submittal form, please make sure the name listed is as licensed.

QA Leaves

Should the qualifying agent leave the company, you must notify the Board in writing within 10 days and the new designated agent must pass the "Trade" exam within 90 days or the license is considered inactive.

Letter for Permits

A letter is sent to all contractors confirming receipt of their renewal and this letter allows you to permit projects while renewal is being audited. If you need to pull permits while your license is pending or on hold for renewal, please notify the Board office by fax to (615) 532-2868 with your request in writing to have a letter faxed to you. Include your name, address, license I.D. number and fax number. The renewal and fee must be received in the office before a letter can be sent.

No Grace Period for Renewals

There is not a grace period to renew; cannot contract or permit if the renewal has not been submitted.

Bidding

Must list license information (name as appears on license, I.D. number, classification, and Expiration date) on the outside of the bid envelope according to T.C.A. 62-6-119 to avoid bid rejection. Also list the same information pertaining to electrical, mechanical, plumbing, HVAC subcontractors.

Web Site Addresses

Contractor's Board : www.state.tn.us/commerce and click onto "Regulatory Boards" then "Contractors"

Law Book: www.michie.com and click onto "Tennessee" then enter 62-6-102.

Rules: www.state.tn.us/sos and click onto "Rules" then enter 0680-1

License Roster List: www.state.tn.us/commerce and click onto "Licensee Roster Search"

RENEWAL CHECKLIST

1. _____ Complete cover page; make address corrections and check mode of operation.
2. _____ Complete page three; list current qualifying agent(s), sign, date and notarize.
3. _____ Attach financial statement in the exact name as licensed.
 - **EXCEEDING \$1,000,000**, requires **REVIEWED OR AUDITED** financial statement prepared by CPA/PA on GAAP basis.
 - Limits of **\$1,000,000 or less** - **may prepare their own** financial statement; or use pages 5 – 9; or one generated from computer. Break down assets and liabilities – list monthly payments in notes (page 5 shows examples of which can be counted as current)
 - Do not send income tax statements
 - It is best to submit *increase* or *revision* requests separate from renewal (if revision is processed first, you may receive the revised license before renewed license).

To ensure your financial statement shows enough working capital and net worth, use the following worksheet:

(Formula is current assets minus current liabilities, equals working capital; total assets minus total liabilities, equals net worth; limit is based on 10 times the lesser of the two)

MONETARY LIMIT DETERMINATION FORMULA WORKSHEET

<u>WORKING CAPITAL</u>	<u>NET WORTH</u>
\$_____ Current Assets	\$_____ Total Assets
-	-
\$_____ Current Liabilities	\$_____ Total Liabilities
=	=
\$_____ Working Capital	\$_____ Net Worth

(EXAMPLE: If monetary limit is \$500,000, working capital and net worth must both be at least \$50,000)

If the working capital and net worth are not sufficient for your monetary limit, you may request to lower limit, in writing, or submit a “Line of Credit” on the Board’s format (see page 11) to supplement working capital (50% value used for negative amount). If you lower license limit, you must submit CPA/PA’s reviewed or audited statement for increase to the Board. Personal financial statements, with the Guaranty, may be used at 50% value to supplement both net worth and working capital. A guaranty is required by all parent companies for their subsidiaries.

4. _____ Make a photocopy of your renewal and financial statement for your files.
5. _____ Mail fee and renewal form, the same day, to effectively track receipt.
 - **Fees** are to be mailed to **Department of Revenue** in the **enclosed envelope**;
 - Notice of Renewal form is to be mailed to the *Board office address (below).
 - Put license “I.D. number on check.
 - If envelope/fee remittance form is not included, mail both fees and renewal form to: *Contractor’s Board, 500 James Robertson Parkway, Suite 110, Nashville, TN 37243-1150*
 - It takes 7-10 days for mail delivery to our office; submit fees 30 days prior to expiration.
 - Make check payable to **“Contractor’s Board”**.
 - If you do not receive a letter acknowledging receipt within 30 days, contact the Board office at 1-800-544-7693 or (615) 741-8307

NOTE: License is considered expired until both the fees and renewal are received; there is **NO** grace-period. If license has been expired in excess of 12 months, contractor must reinstate with the new application process. July, 2004 all renewals should be for two years.

FYI - contract or bid in the name as licensed, list licensing information and electrical, mechanical, plumbing, HVAC subcontractors information, on the outside of the bid envelope, and follow bid requirements (see TCA 62-6-119)

PLEASE ALLOW 6 TO 8 WEEKS FOR LICENSE TO BE ISSUED

(This page is for your records; do not submit with renewal!)

**STATE OF TENNESSEE
DEPARTMENT OF COMMERCE & INSURANCE
DIVISION OF REGULATORY BOARDS
BOARD FOR LICENSING CONTRACTORS
500 JAMES ROBERTSON PKWY., SUITE 110
NASHVILLE, TN 37243-1150**